DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services San Francisco Regional Office 90 Seventh Street, Suite 5-300 (5W) San Francisco, CA 94103-6706



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

OCT 0 5 2012

Tom Betlach, Director Arizona Health Care Cost Containment System 801 East Jefferson Street Phoenix, AZ 85034

Dear Mr. Betlach:

This letter is being sent as a companion to our approval of Arizona State Plan Amendment (SPA) No. 12-001, which clarifies coverage provisions under Targeted Case Management (TCM), Non-Emergency Medical Transportation, and Extended Care for Pregnant Women listed in the Arizona State Plan. This SPA also clarifies reimbursement language for TCM services described in Attachment 4.19-B.

This letter is a reminder that CMS conducted a corresponding reimbursement review of emergency transportation services under SPA 12-001 and found that rates for emergency transportation (ambulance) services are not listed in the State Plan. Regulations at 42 CFR 430.10 require that the State Plan be a comprehensive written statement describing the nature and scope of the State's Medicaid program and that it contain all information necessary for CMS to determine whether the plan can be approved to serve as the basis for Federal financial participation (FFP) in the State program. Accordingly, the State must comprehensively describe the reimbursement for emergency transportation services under Attachment 4.19-B, pages 5a-5b.

We acknowledge that the State is separately addressing this issue under SPA 12-005, which was submitted in response to a companion letter issued under Arizona SPA 10-009 for the same issue. SPA 12-005 is currently off-the-clock and has a requested response date of November 7, 2012. Please note that should Arizona withdraw SPA 12-005 for any reason, the reimbursement for emergency transportation will still need to be addressed in the State Plan.

If you have any questions, please contact Cheryl Young by phone at (415) 744-3598 or by email at Cheryl. Young@cms.hhs.gov.

Sincerely,

Gloria Nagle, Ph.D., M.P.A.

Associate Regional Administrator

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Division of Medicaid & Children's Health Operations